

from there. You would see it north of \$150 a barrel if the instability we have seen in places like Afghanistan, if there was that kind of instability in Saudi Arabia.

Because there is a kind of stability, because that supply hasn't been severely threatened, that is why we have taken an interest in that part of the world.

I will submit to every extent we can find an economic way to bring BTUs on the market that are our sources of energy, we should do that. Yes, there has to be a return on capital investment, and it needs to be reasonable and offset the interest. And to get things started and develop a technology, sometimes we have to have a blender's credit of 51 cents. Sometimes we have to have a 54-cent tariff on Brazilian ethanol coming into the United States.

They would like to have us loan them about \$8 billion so they can double their ethanol production in Brazil and take off that 54-cent tariff so they can produce ethanol in Brazil and ship it here in the United States, but we would find ourselves dependent on Brazilian ethanol production when we have the crops, we have the climate, the know-how and the distribution system to do that here.

So the facts go back to, and I just would reiterate, this ethanol production and biodiesel production has saved the taxpayers billions of dollars in the last year. We were spending \$6.8 billion on crop subsidies on the farm program that goes back to FDR in the 1930s. That number for the LDPs and the counter-cyclical payments has gone essentially, I will say virtually, in the language used today, to zero. And the cost of the 51-cent blender's credit has been about \$3 billion. That is a \$3.8 billion savings off the farm bill because we have a renewable fuels program here.

And to the extent that we are moving towards a 10 percent blend across the Nation with our ethanol, and we will be to that functional, that is 10 percent less that is coming out of the Middle East. That frees up that much more of our freedoms to make these decisions.

The assault on renewable energy that is coming from some of those business places, I would like to see them answer some of these points that I have made. I don't believe that their positions are grounded with the information that comes from the folks that are actually producing the ethanol.

And there have been significant discussions about how quickly one gets a return on investment off ethanol plants. I will say there have been some very good returns that have taken place in the last 2, 3, 4 years. But that cash flow doesn't project out like that any more, Mr. Speaker. Even though we have seen some return on investments that one could measure in just a few short years, most calculate out to be longer than that, and it is harder to attract the capital, not easier, even though oil is at \$96 and gas has gone

over \$3. The dynamics of this and the economics of this change significantly.

So I strongly support the blender's credit. I support keeping the tariff in place on Brazilian ethanol. I believe we need to build the infrastructure here in the United States and kick the ethanol production up to maxing out on the corn crop that we have and developing the enzymes and the technologies so we can produce ethanol out of the cellulosic. That will be a far more difficult task than producing the ethanol, because to handle grain, we have the infrastructure. We have the combines and the drying systems, the wagons and the trucks so we can take that grain out of the field and deliver it and store it and do so efficiently. Not so easily with the cellulosic.

We don't yet know what kind of crop is going to be the most efficient, how we might harvest, how we might store it or how we might transport it. But most of that cellulosic is in a form, whether it is corn or whether it is hay or whether it is switchgrass, sunflower stalks, whatever it is, there is a lot of air in cellulose which means it is large volumes and low tonnage. And low tonnage means there is a lot of freight involved in trying to get that product to a processing location. That would tell me we would have, if the cellulosic develops as it is envisioned, we will have more plants located in closer areas than you will see with ethanol because we won't be able to afford to truck that cellulosic as far as we can the corn or the soybean oil that goes into the biodiesel.

We will get there on energy, Mr. Speaker, but I want to reiterate, I believe we need to grow the size of the energy pie. We need to take that overall 360-degree picture of all of components of our energy, the ethanol and biodiesel and wind and nuclear and hydroelectric and clean-burning coal and all of the other components that we have, gasoline, propane, natural gas, solar, each one of those has a certain percentage of the overall.

Then another slice of that pie is energy conservation. That is insulation. That is high-mileage vehicles. All of these things need to be brought forward, and we can get where we need to go with energy. We cannot do that if this Congress is determined to raise the cost of energy.

And I will submit that any piece of legislation that has been brought to the floor of this Congress in the 2007 calendar year has all raised the cost of energy, not driven the cost of energy down. It has made the circumstances less stable, not more stable. It has made the investors step back and say, "I don't think I want to invest" rather than "I can't wait to get invested in this because I believe I can get a return on my profit."

Mr. Speaker, let's face it, free enterprise capitalism has done more for the well-being of humanity than all of the missionaries who went to Africa. God bless them for going, and we need more

missionaries to go to Africa. We need them to go everywhere. We need missionaries in this country. But free enterprise capitalism has provided the infrastructure. It has built the Golden Gate Bridge. It has built the interstates. It has built the military industrial complex. And it has developed our educational system. It has developed our pharmaceuticals and our medical services in this country and in many places around the world.

And if you point to something that is an improvement of the quality of life, I will point to a profit motive in there that has developed the ideas, the creativity, the inventions, that have brought about this improved standard of living that we have.

And if we think that because a company has made some money because they have invested capital and provided good inventions and infrastructure, they need a return on that investment. And for this Congress to decide somebody made some money and then they want to come back and do a windfall profits tax after the fact, one of those retroactive deals, one of those things that says, well, I really didn't mean it to, let's just say Exxon, for example, Chevron for another one, the leases that were reneged here off in the gulf coast when no one was going to be there holding the oil company's hands if they drilled dry holes.

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I never heard NANCY PELOSI say, well, some company got a dry hole that cost a few million dollars; I think we ought to take some of that load off of them and send them a check from the taxpayers. They don't believe in that, but they believe in taking some of that money away when it's duly earned.

The risk capital that's out there is what drives the lower cost of energy that we have today that we wouldn't have if it weren't for that.

So we need to set up an honest business structure; and when we have leaseholdings, we need to sign those leases and say that's it, we've cut our deal. If you make 10 times the money we thought you were going to make, you also made 10 times the money your competition thought you were going to make or they would have bid against you and taken that over and raised the price.

I've spent my life in the contracting business, not much of it drilling oil, and not any oil came out of the hole I did get involved in. But I've bid a lot of projects as low bidder, and I recall having the owners come to me and say, you're making money on this job. Happens more than once, Mr. Speaker, but not once has anybody come to me and said, I see you're losing your shirt on this job, can we give you a little more money that will help you out? Never happens, but that's the philosophy that comes from that side of the aisle.

We see somebody making a little bit of money, let's take it away. Well, if I'm on the board of directors of a company that has Congress changing the